Everest Group®

Everest Group Software Product Engineering Services PEAK Matrix® Assessment 2026 – EMEA

Focus on TCS

May 2026

PEAK MATRIX®

Introduction

Software remains the largest product engineering spend area, but growth is being pursued under tighter RoI scrutiny amid macro uncertainty and talent constraints. The focus of software R&D is shifting toward AI-native development and platform-led modernization, with gen AI / agentic AI embedded across products and developer workflows, raising expectations for faster releases, security-by-design, and measurable outcomes.

In EMEA, these priorities are amplified by stricter regulatory and sovereignty expectations, data-residency needs, and a stronger preference for nearshore/onshore, multilingual delivery to ensure locally aligned execution.

Enterprise expectations from software product engineering providers have moved beyond the prior baseline. Buyers now want strategic partners who can industrialize AI across the SDLC, accelerate time-to-market through reusable assets and platform engineering, and deliver measurable outcomes on cost, speed, and innovation.

In the research, we present an assessment and detailed profiles of 52 engineering services providers featured on the Software Product Engineering Services PEAK Matrix® Assessment 2026 – Global and EMEA.

Each provider profile provides a comprehensive picture of its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual RFI process for calendar year 2025, interactions with leading software product engineering services providers, client reference checks, and an ongoing analysis of the engineering services market.

The full report includes the profiles of the following 52 leading engineering service providers featured on the Software Product Engineering Services PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, GlobalLogic, Globant, HCLTech, IBM, Infosys, LTM, Persistent Systems, TCS, and Wipro
- **Major Contenders:** 3Pillar Global, ACL Digital, Akkodis, Altimetrik, Apexon, Ascendion, Aspire Systems, Brillio, Ciklum, Coforge, DataArt, Encora, EPAM, Happiest Minds, Infogain, Intellias, Mphasis, N-iX, Ness Digital Engineering, Neurealm, R Systems, Sasken Technologies, SoftServe, Softtek, Sonata Software, Sutherland, Tech Mahindra, UST, Virtusa, Xebia, Xoriant, and Zensar
- **Aspirants:** Accion Labs, Daffodil Software, Divami, Icreon, KANINI, Marlabs, Simform, and TechBlocks

Scope of this report

Geography: global

Providers: 52 leading engineering service providers

Services: software product engineering services

Scope of the evaluation

Defining software product engineering

Hardware product engineering

- Conceptualization and design
- Product development
- Verification and validation
- Product sustenance

Focus of research

Software product engineering

- Software product development
- Software product operations
- Software product maintenance

Manufacturing engineering

- Consulting and design
- Development and V&V
- Deployment and SI
- Managed services and support

Network engineering

- Conceptualization and design
- Design and development
- Testing and certification
- Deployment and support

Definition of software product engineering:

Software product engineering includes

- Commercial Off the Shelf (COTS) software
- Customer-facing software/applications that are meant for revenue generation or service delivery

It does not include

- Custom application development for mid-/back-office operations
- System integration around COTS packages
- Embedded software development

Software product engineering services PEAK Matrix® – EMEA characteristics

Leaders

Accenture, Capgemini, EPAM, HCLTech, and TCS

- The Leader segment comprises both broad-based IT heritage engineering service providers and pure play engineering service providers
- Their opti-shore delivery model (blending offshore and nearshore delivery) enables the right balance of client proximity, localization, regulatory alignment, and cost efficiency for EMEA-based engagements
- Leaders boast of a comprehensive partner ecosystem comprising hyperscalers, data and analytics partners, AI partners, hardware providers, other enterprise technology providers, and academia / open-source communities, which they leverage strategically for co-innovation and joint GTM motions
- These players have made significant investments across EMEA in developing regulation-compliant IP (data residency), establishing regional labs and CoEs for localized innovation and client co-creation

Major Contenders

Akkodis, Ciklum, Coforge, DataArt, Intellias, Ness Digital Engineering, Softtek, Tech Mahindra, Xebia, and Zensar

- Major Contenders comprise IT-heritage firms
- These providers have a strong Central & Eastern Europe footprint, enabling closer client proximity, multilingual coverage, and agile nearshore delivery, further strengthened by EMEA-based labs/CoEs that support localized innovation and co-creation
- These providers are actively adopting emerging commercial models to deliver greater flexibility for clients

Aspirants

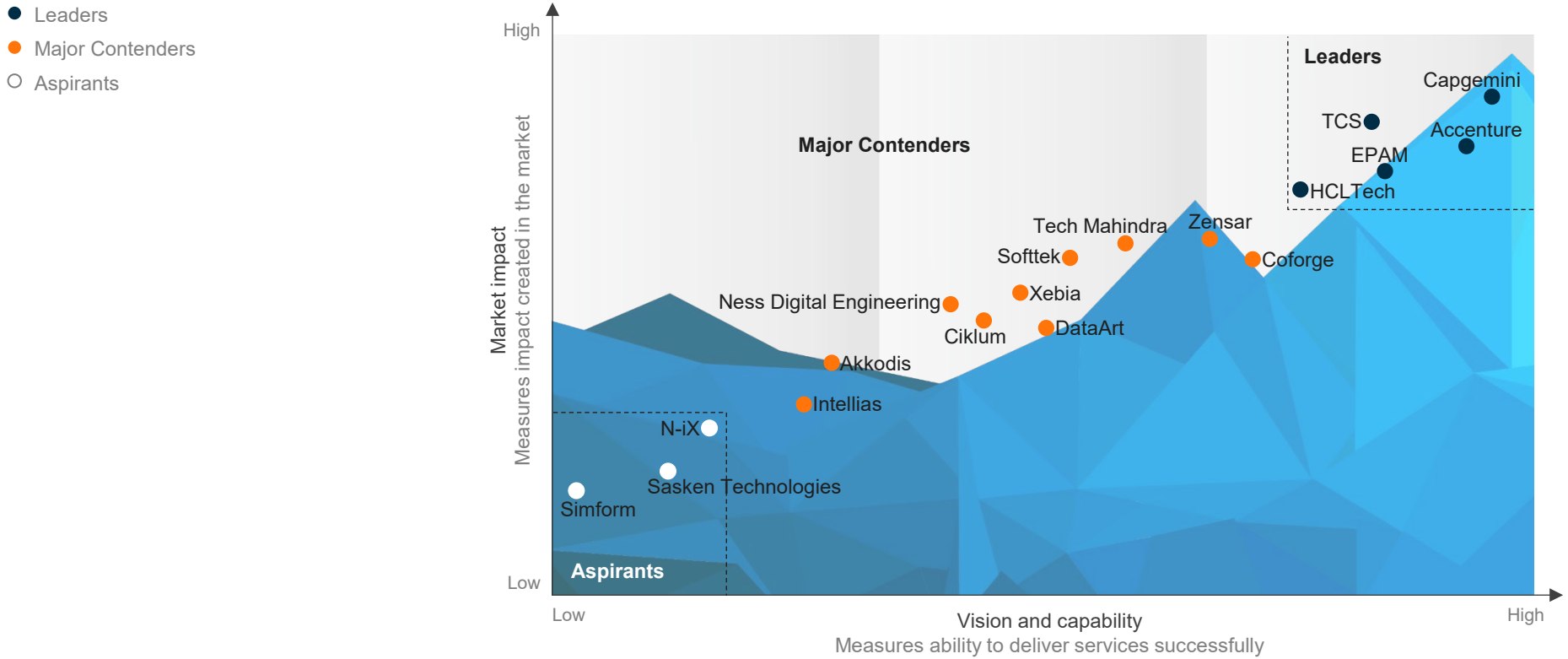
N-iX, Sasken Technologies, and Simform

- Aspirants possess strong capabilities in specific technology areas and value chain elements; however, their delivery presence and ability to serve EMEA-specific requirements (localization) is limited
- They are making focused investments for enhancing their solutions portfolio, improving service enablement capabilities, and expanding their footprint and client base in the EMEA region

Everest Group PEAK Matrix®

Software Product Engineering Services PEAK Matrix® Assessment 2026 – EMEA | TCS is positioned as a Leader

Everest Group Software Product Engineering Services PEAK Matrix® Assessment 2026 – EMEA[1,2]



1 Assessments for Accenture, EPAM, N-iX and Softtek exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interaction with buyers
2 Analysis for Coforge is based on capabilities before its merger with Encora
Source: Everest Group (2026)

TCS

Everest Group assessment

Measure of capability: Low High

		Market impact				Vision and capability				
	Positioning on PEAK Matrix®	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
EMEA	**Leader**									

Strengths

- TCS has a well-distributed footprint across key EMEA markets (UK & Ireland, Benelux, DACH, the Nordics, CEE, and the Gulf), and is further expanding its Middle East presence (Vision Oman 2040) and depth in the automotive sector (delivery center in Germany)
- It demonstrates strong commercial flexibility by engaging with clients through emerging pricing constructs such as outcome-based, revenue sharing, and hybrid models
- The firm has a robust partner ecosystem across hyperscalers, data and analytics providers, enterprise technology platforms, niche AI partners, and hardware vendors, strengthening its ability to co-innovate and execute at scale
- TCS actively monetizes its IP portfolio through licenses and subscriptions spanning horizontal themes, as well as vertical solutions, while strengthening EMEA capabilities through dedicated labs and CoEs (PACE Port Labs network)
- Clients value TCS for its price competitiveness, deep bench of skilled domain and technical talent, and a customer-centric delivery approach

Limitations

- While TCS has a broad global footprint, its delivery model remains offshore-heavy with relatively limited nearshore presence, which can limit client proximity and time-zone coverage for high-touch engagements
- Clients expect TCS to further strengthen its AI capabilities, adopt a more proactive advisory approach, improve the adoption and effectiveness of test automation to enhance quality and efficiency, and focus on skill retention to maintain the continuity of key talent within project teams

Market trends

Steady Software Product Engineering Services (SPES) growth is being driven by AI-native product development and modernization, amid evolving sourcing strategies

Market size and growth

- The total SPES market for CY2025 stood at ~US$40 billion and is expected to grow at a steady rate of 6-7% YoY in CY2026
- Growth will be led by AI-native product and platform development, as enterprises scale AI-first features and work on modernization toward cloud-native, composable architectures, creating sustained demand for rapid build, integration, and continuous release engineering

Key drivers for software product engineering services

AI-native product development	Enterprises are embedding AI into products and using AI tools to accelerate development, testing, and operation, raising demand for partners that can scale implementation reliably
Legacy system modernization	Enterprises are upgrading legacy applications to operate better in cloud environments, integrate through APIs, and support faster release cycles, creating sustained engineering demand
Data readiness	To operationalize AI effectively, enterprises require high-quality, well-governed data. This is driving increased investment in data integration and pipelines, along with strengthened security, governance, and compliance controls

Opportunities and challenges

Tariff and policy uncertainty	Evolving trade policies and tariff structures raise delivery costs and introduce volatility into sourcing strategies, prompting enterprises to defer decisions, rescope initiatives, or renegotiate commercial terms
Persisting demand softness	Ongoing budgetary caution and restrained discretionary spending are lengthening procurement cycles and slowing program ramp-ups, as enterprises prioritize near-term value realization and postpone non-essential product investments
Insourcing / GCC as outsourcing alternative	The rise of insourcing and Global Capability Centers (GCCs) as credible alternatives to traditional outsourcing is slowing software services demand by shifting incremental engineering spend in-house and reducing reliance on large, long-duration outsourced engagements

Provider landscape analysis

Market share analysis of the providers
2024; percentage of the overall market of SPES

SPES revenue growth by YoY growth
2023-24; increase in percentage

Note: Providers are listed alphabetically within each range

Key buyer considerations

Sourcing considerations influencing provider selection in software product engineering

Key sourcing criteria

High

Priority

Low

Time-to-market

Providers that can shorten release cycles through AI-enabled SDLC capabilities, robust DevSecOps automation, and reusable accelerators, enabling faster progression from concept to production

Cost savings

Evidenced productivity improvements achieved through automation (gen AI-enabled development and testing, CI/CD, and infrastructure provisioning), optimized delivery models, and reuse-driven engineering, supported by rigorous value measurement

Innovation

Proven ability to build differentiated products by combining product strategy with engineering, rapidly scaling pilots to production, and delivering measurable impact on user experience and business outcomes

IP-backed delivery and partnership ecosystem

Strength of proprietary IP complemented by a robust ecosystem of partnerships, enabling early roadmap alignment, joint solution development, and accelerated adoption through proven integrations

Talent across emerging technology skills

Sustained depth and stability of expertise across emerging technology areas, supported by certified talent pools, structured upskilling programs, and strong engineering leadership

Summary analysis

Buyers increasingly prefer providers that can industrialize AI across the delivery life cycle, moving beyond pilots by using reusable assets and automation to improve cycle time and quality predictably. The market is splitting between scaled providers offering end-to-end transformation and specialists delivering deeper engineering expertise and faster execution, making a blended provider portfolio a practical approach.

Providers with strong IP and ecosystem partnerships are better positioned to reduce modernization risk and accelerate adoption, with governance focused on IP reuse, security/compliance, and outcome-based RoI throughout the engagement.

Key takeaways for buyers

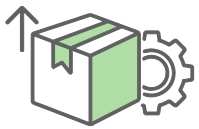
Buyers should prioritize providers that can industrialize AI across the SDLC, bring deep domain specialization, and deliver IP-/asset-led, outcome-based engagements, to accelerate delivery while ensuring measurable RoI and scalable adoption.

AI is reshaping how software is built, tested, and run

AI is automating large parts of the software lifecycle (for example, code generation, test creation, defect resolution, and legacy modernization), cutting engineering effort and cycle time materially.

Preference for holistically specialized providers

Enterprises are increasingly seeking deep, domain-specific expertise from their service providers, as opposed to generalized horizontal capabilities.



Asset-led delivery is emerging as a core differentiator

Providers are shifting toward IP-led delivery to accelerate execution, improve margins, and reduce reliance on headcount-led growth. They are increasingly embedding AI into platforms for high adoption and scalable use cases.

Intensified focus on value realization

Enterprises are moving toward outcome-based commercial models as IT/engineering spend comes under greater scrutiny, with increased emphasis on RoI, productivity, and measurable value realization rather than inputs such as effort or capacity.

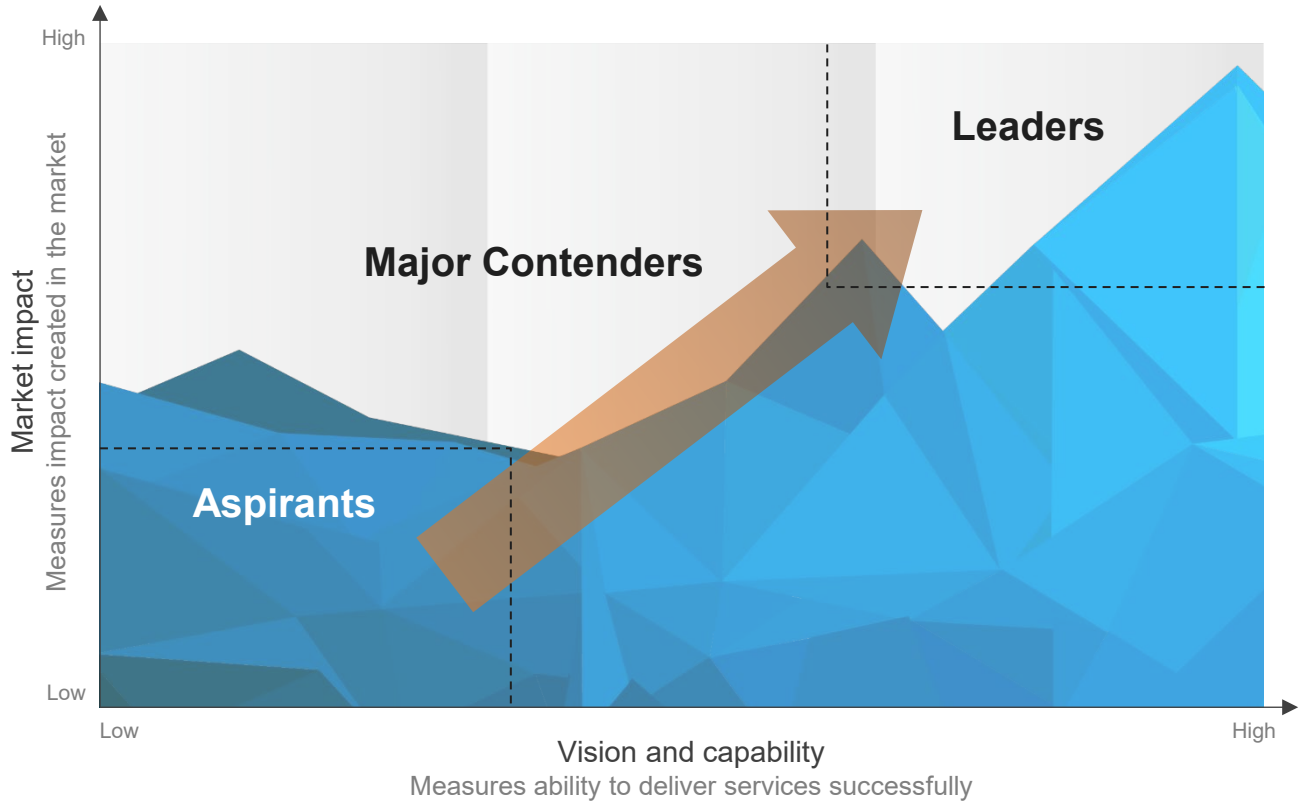
Appendix

PEAK Matrix® framework

FAQs

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision and capability

Everest Group PEAK Matrix



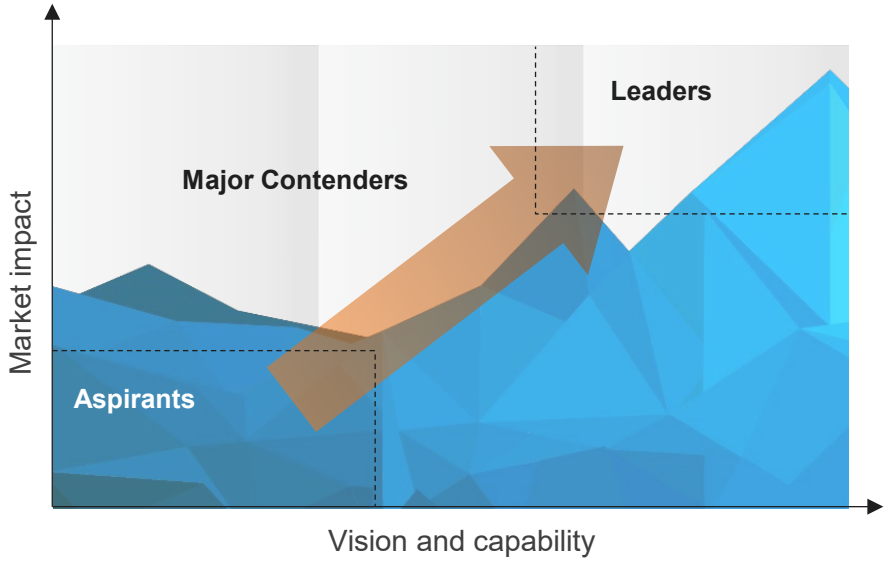
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
Number of clients, revenue base, YoY growth, and deal value/volume

Portfolio mix
Diversity of client/revenue base across geographies and type of engagements

Value delivered
Value delivered to the client based on customer feedback and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy
Vision for the client and itself; future roadmap and strategy

Scope of services offered
Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

Delivery footprint
Delivery footprint and global sourcing mix

FAQs

Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?

A: Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

A: No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A: A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

A: Enterprise participants receive summary of key findings from the PEAK Matrix assessment

For providers

- The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
- In addition, it helps the provider/vendor organization gain brand visibility through being in included in our research reports

Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

A: Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies
- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
- Use PEAK Matrix badges for branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)

The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with Everest Group; please contact your CD or contact us

Q: Does the PEAK Matrix evaluation criteria change over a period of time?

A: PEAK Matrix assessments are designed to serve enterprises' current and future needs. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality and to serve enterprises' future expectations.

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